Energy Situation Analysis Report

Last Updated: February 11, 2003
Next Update: February 13, 2003
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Latest Oil Market Developments

Oil prices on the NYMEX were up sharply (96 cents per barrel) Tuesday, closing at $35.44 per barrel, as markets nervously awaited new developments in the Iraq situation, as well as the release of U.S. oil inventory data scheduled for Wednesday morning. In addition, a White House statement that opposition by several European countries to a new U.N. resolution authorizing the use of force against Iraq was merely a "temporary setback" appeared to provide strength to oil prices, as did release of a purported audiotape by Osama bin Laden asking Muslims to unite in defense of Iraq. Mediation efforts continued in an effort to resolve the general strike in Venezuela, now in its 71st day. more...

Latest U.S. Weekly EIA Petroleum Information

The U.S. average retail price for regular gasoline rose for the ninth week in a row last week, increasing by 8.0 cents per gallon as of February 10 to end at 160.7 cents per gallon, the highest price since June 11, 2001. This increase tied the largest one week increase record since EIA has been recording this data. Retail diesel fuel prices also increased sharply last week, rising 12.0 cents to a national average of 166.2 cents per gallon as of February 10, the highest price for diesel since October 16, 2000. more...

World Oil Market Highlights

As of early February 2003, EIA estimates that OPEC countries excluding Iraq and Venezuela hold between 2 and 2.5 million barrels per day of excess oil production capacity that could be brought online. Around 70% of this spare capacity is located in one country -- Saudi Arabia -- with nearly all the rest located in four Persian Gulf countries: UAE, Qatar, Kuwait, and Iran. more...

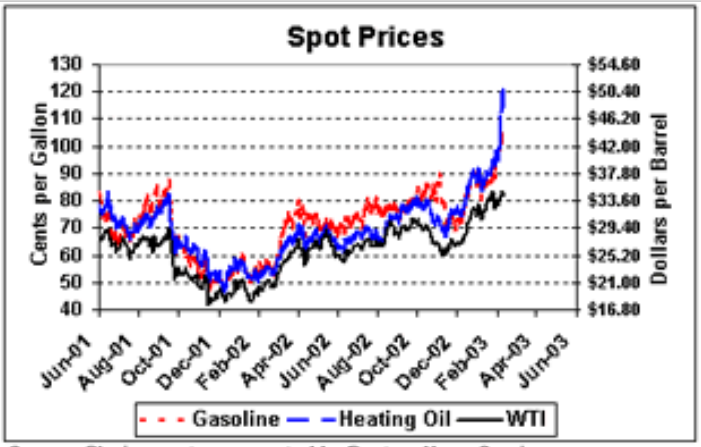
Latest U.S. Weekly Natural Gas Information

Continued cold weather in the Midwest and Northeast,

Energy Prices*

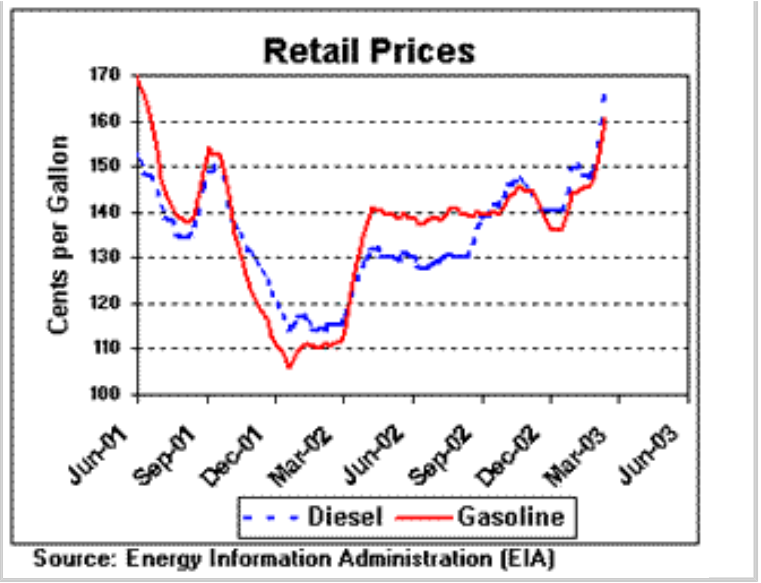
Petroleum Futures (near month)	2/10/03	2/9/03	Change
WTI ($/Bbl)	34.48	35.12	-0.64
Gasoline (c/gallon)	102.75	106.70	-3.95
Heating Oil (c/gallon)	104.43	109.57	-5.14
Natural Gas ($/MMBtu)			
Henry Hub	6.34	6.29	+0.05
California	5.42	5.30	+0.12
New York City	8.25	7.70	+0.55
Electricity ($/Megawatthour)			
COB	50.68	49.79	+0.89
PJM West	63.90	56.59	+7.31
NEPOOL	80.15	68.50	+11.65
Average	59.03	56.01	+3.02

*Definitions



Source: Closing quote as reported by Reuters News Service

along with well-below-normal storage stocks in the East Consuming region, contributed to spot natural gas price increases of $0.05-$0.25 per MMBtu at most trading locations along the Gulf Coast and in Texas since Wednesday, February 5. At the Henry Hub yesterday (Monday, February 10), the average price for next-day delivery rose 5 cents, to $6.34 per MMBtu, which is the highest price at the Henry Hub since February 2, 2001. Monday was also the fifth consecutive trading day that the average has exceeded $6 per MMBtu at the Hub. In the Northeast, prices have gained as much as $2.60 per MMBtu more...



Latest U.S. Coal Information

Spot coal prices tracked by EIA in the over-the-counter (OTC) market were mixed for the week ended February 7 versus the prior week (see graph below). The Northern Appalachian spot price gained $0.40 per short ton, the Powder River Basin price was unchanged at $6.20 per short ton, and Central Appalachian, Illinois Basin, and Uinta Basin prices each lost $0.25 per short ton.more...

Latest U.S. Electricity Information

In the Midwest, electricity prices declined on February 6 and 7 despite continuing cooler temperatures and the shut-down of American Electric Power's Cook Unit 2 nuclear reactor. In the Northeast, electricity prices were generally higher on February 10 as the cold temperatures increased customer demand and put pressure on available gas supplies, thereby increasing the price of natural gas. Over the past seven days, average electricity prices at all trading centers ranged between $47.87 and $59.03 per megawatthour with an overall weekly average of $53.45 per megawatthour. more...

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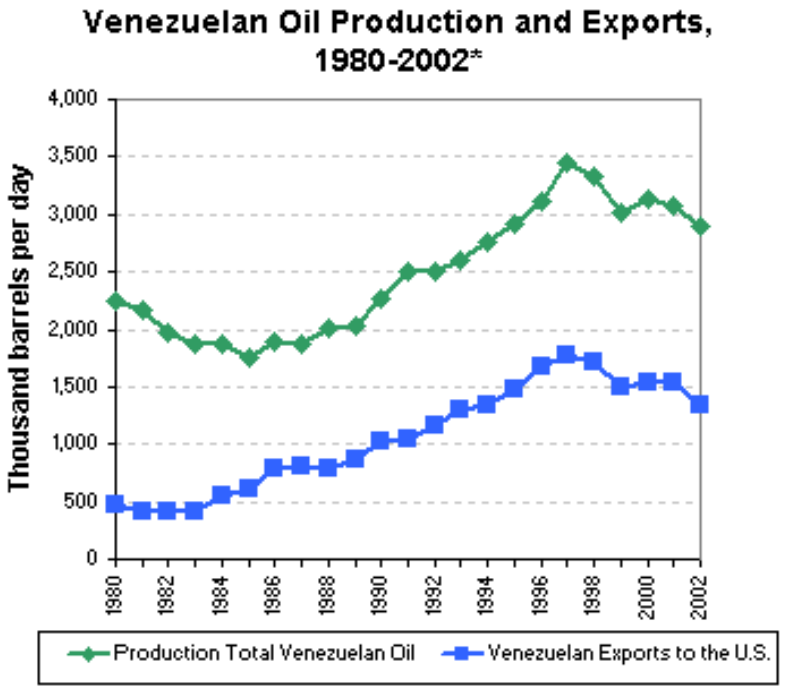
Special Topic -- Basic Facts on Venezuela

(updated December 17, 2002)

Venezuela, OPEC's only member located in the Western Hemisphere, produced about 2.9 million barrels per day of oil (total liquids) on average during the first nine months of 2002, representing almost 4% of total world oil production. By November, Venezuelan crude oil production was an estimated 400,000 barrels per day above its quota level of 2.5 million barrels per day.

Venezuela has also been one of the 5 largest oil exporters in the world, with net exports averaging 2.4 million barrels per day through the first 3 quarters of 2002. Venezuela's has ranked consistently as the last several years as one of the four top sources of U.S. oil imports (along with Canada, Mexico, and Saudi Arabia). Venezuelan exports to the U.S. peaked in 1997 at about 1.8 million barrels per day. In 1997, Venezuelan imports accounted for over 17% of total U.S. imports, compared to 12% during the first nine months of 2002.



*Production and export data for 2002 are through September 2002.
Production data includes both crude oil and other liquids.
Export data include both crude oil and refined products.

During the first nine months of 2002, oil from Venezuela supplied approximately 14% of U.S. net oil imports and ranked as the fourth largest source of U.S. oil imports (behind Canada, Saudi Arabia, and Mexico). The United States imported 1.5 million barrels per day of oil from Venezuela during this period. In addition to oil imported directly from Venezuela, the United States also imports oil products (i.e., motor gasoline, heating oil) refined in the Caribbean. The United States imports around 300,000 barrels per day of refined products from the Caribbean, of which roughly 200,000 barrels per day is refined from Venezuelan crude oil. Including this (see table), Venezuela supplies about 15% of U.S. net oil imports, about 15% of net gasoline imports, about 66% of net distillate imports, and about 276% of residual net fuel imports (total net residual fuel imports are small due to relatively high export volumes resulting in a large percentage).

Much of Venezuela's exports to the United States are destined for refineries operated by Citgo, a subsidiary of PdVSA, the Venezuelan national oil company. Over two-thirds of Venezuelan oil exports to the United States arrive at U.S. Gulf Coast facilities.

The U.S. East Coast region (Petroleum Administration for Defense District I, or PADD I) imported 238,000 barrels per day of oil from Venezuela. This represented approximately 8.5% of total PADD I net oil imports over that period. During the same nine months, U.S. PADD III (the Gulf Coast region) imported 1.1 million barrels per day of oil from Venezuela, making up approximately 19% of total PADD III net oil imports.

The U.S. Gulf Coast is particularly reliant on Venezuelan crude oil. During the first nine months of 2002, crude oil imports from Venezuela accounted for 21% of the Gulf Coast region's total crude oil imports. This compares to only 7% dependence

on Venezuelan crude oil for the East Coast region. The reason for this difference is mainly that the Gulf Coast is a major crude oil refining center, while the East Coast is more of a consuming region.

For refined products, the East Coast receives 57% of its asphalt and road oil, 21% of its jet fuel, and 15% of its distillate imports from Venezuela. Apart from crude oil, the Gulf Coast relies on Venezuelan imports most heavily for naphtha and petrochemical feedstock (17%), unfinished oils (12%), and gasoline blending components (8%).

**Total U.S. Dependency on Venezuelan Crude Oil	2001				2002 (Jan-Sep)		
	Imports	% of Net Imports	% of Product Supplied		Imports	% of Net Imports	% of Product Supplied
Crude Oil *	1291	13.9%	8.5%		1201	13.4%	8.0%
Gasoline (incl. Blending components)	139	22.8%	1.6%		105	15.2%	1.2%
Distillate Fuel	100	44.5%	2.6%		72	66.2%	1.9%
Residual Fuel	80	76.9%	9.8%		43	275.6%	6.8%
Other Products	158				167		
Total Oil	**1768**	**16.2%**	**9.0%**		**1588**	**15.4%**	**8.1%**
* Crude oil product supplied is defined as crude oil refinery inputs.							
** Calculated using 100% of Venezuela imports, 50% of Virgin Island imports and 100% of Netherlands Antilles imports based on estimates on the share of Venezuelan crude oil used in these countries.							

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Latest Oil Market Developments

(updated February 11, 2003)

The West Texas Intermediate (WTI) near-month futures price on the New York Mercantile Exchange (NYMEX) fell by 64 cents per barrel on Monday (2/10), following a sharp (96-cents-per-barrel) increase this past Friday (2/7), closing at $34.48 per barrel. Oil prices on the NYMEX were up sharply (96 cents per barrel) Tuesday, closing at $35.44 per barrel, as markets nervously awaited new developments in the Iraq situation as well as the release of U.S. oil inventory data scheduled for Wednesday morning. In addition, a White House statement that opposition by several European countries to a new U.N. resolution authorizing the use of force against Iraq was merely a "temporary setback" appeared to provide strength to oil prices, as did release of a purported audiotape by Osama bin Laden asking Muslims to unite in defense of Iraq.

Mediation efforts continue in an effort to resolve the general strike in Venezuela, now in its 71st day, as striking oil workers reported that the country's output had increased to 1.42 million barrels per day (the government of President Chavez estimates production at around 1.9 million barrels per day). Also in Venezuela, state oil company PdVSA indicated that it was "ready" to restart operations at the giant Amuay oil refinery. Venezuela's oil output prior to the strike, which began the first week of December 2002, had been averaging over 3 million barrels per day in recent months.

In addition to Venezuela, oil prices have been pushed sharply higher in recent months (up nearly 40% since mid-November) by falling commercial crude oil stocks in the United States and continued fears that a war with Iraq could adversely affect Middle Eastern oil supplies as well. Oil markets fear that if a war with Iraq were to occur while Venezuelan oil exports remain far below normal levels, this could strain the world's existing spare oil output capacity (around 2.0-2.5 million barrels per day) to its limit. Nearly all of this "excess capacity" is located in OPEC member countries, particularly Saudi Arabia (1.3-1.8 million barrels per day), the UAE (around 300,000 barrels per day), and Qatar (110,000 barrels per day), all of which are located in the Persian Gulf region. Other countries believed to have relatively small amounts (i.e., less than 100,000 barrels per day) of spare oil production capacity include Nigeria, Kuwait, Algeria, and Iran.

Other issues related to **world oil markets** include:

- *Platt's Oilgram Price Report* reported that OPEC production was up 500,000 barrels per day in January 2003, to 25.21 million barrels per day. Most of this increase was due to Saudi Arabia, which increased its output by 450,000 barrels per day, according to *Platt's*.

- In Venezuela, opposition leaders stated that they would be willing to consider propsals made by former U.S. President Jimmy Carter to help resolve their impasse with the government of President Hugo Chavez. To date, President Chavez has fired around 9,000 employees of the state oil company (PdVSA), while managing to restore production to between 1.4 and 1.9 million barrels per day. Meanwhile, *Reuters* reported that U.S. refiner Valero was loading an oil tanker with Venezuelan synthetic crude oil. If true, this would mark the first Venezuela oil loading by a major U.S. refiner since Venezuela's strike began in early December 2002.
- In response to requests by New England fuel distributors, as well as Massachusetts Senators Kerry and Kennedy, the Department of Energy said Monday that "the threshold for releasing the Northeast heating oil reserve has not been reached." Heating oil prices have increased sharply in recent weeks as cold weather has stoked demand and as the Venezuela situation has adversely affected heating oil supplies, inventories, and prices.
- Nigerian oil workers threatened to go on strike this coming Friday if pay and work conditions were not met by the government. Such a strike could adversely affect oil exports from Nigeria, the world's seventh largest net oil exporting nation with output of around 2.2 million barrels per day.
- Following a weekend visit to Baghdad, chief U.N. weapons inspectors, Hans Blix and Mohamed El Baredei, are preparing a critical report to the U.N. Security Council this coming Friday regarding Iraq's cooperation. Blix was quoted as saying that Iraq had not presented "new evidence" but "nevertheless focused on real, open issues and that is welcome."
- Bad weather, a heavy loading program, and a reported deterioration in the quality of Iraqi crude oil (i.e., increased water infiltration) are all causing problems at Turkey's export terminal of Ceyhan, which reportedly handled over 1.2 million barrels per day -- well above its recent average rate -- in late January/early February. The *Middle East Economic Survey (MEES)* reported that Iraq's Kirkuk crude quality was being harmed by overly rapid production rates as well as blending with lower quality crude streams.
- As of February 11, 2003, the U.S. Strategic Petroleum Reserve (SPR) contained 599.3 million barrels of oil. The SPR has a maximum drawdown capability of 4.3 million bbl/d for 90 days, with oil beginning to arrive in the marketplace 15 days after a presidential decision to initiate a drawdown. The SPR drawdown rate declines to 3.2 million bbl/d from days 91-120, to 2.2 million bbl/d for days 121-150, and to 1.3 million bbl/d for days 151-180.

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Latest U.S. Weekly EIA Petroleum Information

(last complete update: February 6, 2003)

Petroleum Inventories
U.S. commercial crude oil inventories (excluding those in the Strategic Petroleum Reserve) increased by 1.0 million barrels, but are 45.7 million barrels below the level last year at this time, and well below the lower end of the normal range for the end of January. Meanwhile, distillate fuel inventories plummeted by 10.3 million barrels, and are also now below the lower end of the normal range, as too are residual fuel inventories. Motor gasoline inventories fell by 3.4 million barrels last week and are now at or slightly below the normal range. Total commercial petroleum inventories, at 918.6 million barrels, are also below the lower end of the normal range.

The draw on U.S. inventories of propane posted a record 18.3 million barrels during January 2003, a level that surpassed the previous monthly record of 17.6 million barrels set during January 1994. Contributing to the all-time record stockdraw was last week's nearly 6.7 million-barrel decline that put U.S. inventories of propane at an estimated 32.3 million barrels as of the week ending January 31, 2003. January's extended cold spell sent U.S. inventories of propane plunging to a level at the lower limit of the average range as of last week. Regional stockdraws were strong in all the major propane consuming areas last week with inventories lower by 0.5 million barrels in the East Coast, followed by respective declines of 2.2 million barrels and 3.7 million barrels in the Midwest and Gulf Coast regions. While Midwest inventories continued to track within the respective average range last week, inventories in the East Coast moved down to a level below the average range, and the Gulf Coast inventories moved to the lower limit of the average range.

Petroleum Imports
U.S. crude oil imports (including imports going into the Strategic Petroleum Reserve) averaged 8.4 million barrels per day last week, a decline of 300,000 barrels per day from the previous week. Crude oil imports have averaged 8.6 million barrels per day over the last four weeks, or about 100,000 barrels per day less than averaged during the same four-week period last year. Although the origins of weekly crude oil imports are very preliminary and thus not published, it appears that some crude oil from Venezuela continues to arrive into the United States. However, crude oil imports from Venezuela continue to be much lower than normal. Total motor gasoline imports (including both finished gasoline and gasoline blending components) averaged 700,000 barrels per day last week, while distillate fuel imports averaged 300,000 barrels per day.

Monthly data on the origins of U.S. crude oil imports in November 2002 has been released and it shows that four countries each imported more than 1.4 million barrels per day of crude oil to the United States that month. The top sources of U.S. crude oil imports in November 2002 were Mexico (1.531 million barrels per day), Canada (1.485 million barrels per day), Saudi Arabia (1.474 million barrels per day), and Venezuela (1.438 million barrels per day). This is the first time since July 2002 in which Mexico was the leading source of U.S. crude oil imports. Rounding out the top ten sources, in order, were United Kingdom (0.632 million barrels per day), Nigeria (0.556 million barrels per day), Angola (0.390 million barrels per day), Norway (0.388 million barrels per day), Iraq (0.380 million barrels per day), and Kuwait (0.230 million barrels per day). Of the 9.527 million barrels per day of crude oil imported into the United States during the month of November 2002, the top four countries accounted for 62% of these imports, while the top ten sources accounted for 89% of all U.S. crude oil imports. Russian crude oil imports, after averaging at least 0.100 million barrels per day in the previous three months, averaged 0.085 million barrels per day, ranking 14th for the month (behind the top 10 countries mentioned above as well as Colombia, Ecuador, and Gabon).

Refinery Inputs and Production
U.S. crude oil refinery inputs continued to drop, averaging 13.8 million barrels per day during the week ending January 31, the first week it has averaged below 14 million barrels per day since the week ending October 11, 2002. Because of lower crude oil refinery inputs, refinery production of motor gasoline and jet fuel declined significantly, while distillate fuel production increased. .

Petroleum Demand
Total product supplied over the last four-week period averaged 20.1 million barrels per day, or about 4.9% more than the same period last year. Over the last four weeks, motor gasoline demand is up 5.0%, and residual fuel demand is up 15.7% compared to the same period last year. Distillate fuel demand last week averaged 4.9 million barrels per day, the highest weekly average ever, and is up 10.5% from a year ago over the last four weeks.

Spot Prices (updated February 4)
The average world crude oil price on January 31, 2003 was $29.73 per barrel, down $0.29 per barrel from the previous week but $11.52 per barrel more than last year. The spot price for conventional gasoline in the New York Harbor was 104.38 cents per gallon on Friday, February 7, up 8.78 cents per gallon from last week and 49.73 cents per gallon higher than a year ago. The spot price for No. 2 heating oil in the New York Harbor was 120.50 cents per gallon, 24.67 cents per gallon higher than last week and 67.40 cents per gallon more than last year.

Average U.S. Retail Gasoline Price Rises Above $1.60 per gallon
The U.S. average retail price for regular gasoline rose for the ninth week in a row last week, increasing by 8.0 cents per gallon as of February 10 to end at 160.7 cents per gallon, the highest price since June 11, 2001. This increase tied the largest one week increase record since EIA has been recording this

data. Increasing by a total of 24.7 cents per gallon over the last nine weeks, the average retail price is 50.0 cents per gallon higher than last year. Prices throughout the country were up, with the largest increase occurring on the Gulf Coast, where prices rose 8.4 cents to end at 155.6 cents per gallon. Prices were the highest on the West Coast, where the average price for regular gasoline was 167.9 cents per gallon.

Retail diesel fuel prices also increased sharply last week, rising 12.0 cents to a national average of 166.2 cents per gallon as of February 10. This was the highest since diesel prices hit a record of 167.0 cents per gallon on October 16, 2000. This increase is the highest one-week price increase seen since EIA began recording this data. Retail diesel prices were up throughout the country, with the largest price increase occurring on the East Coast, where prices rose 14.5 cents per gallon to end at 171.6 cents per gallon, which is 53.7 cents higher than this time last year.

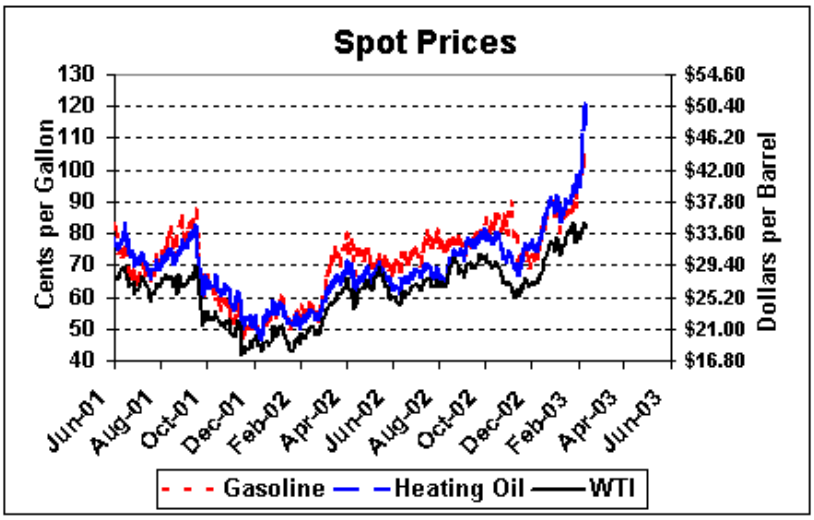
Residential Heating Fuel Prices Continue to Rise

Residential heating fuel prices increased for the period ending February 3, 2003. The average residential heating oil price was 153.5 cents per gallon, up 3.8 cents per gallon from the previous week. Residential heating fuel prices have risen 27.9 cents per gallon since October 2002 and are 37.2 cents per gallon higher than last year at this time. Wholesale heating oil prices increased 4.1 cents per gallon this week, to 102.1 cents per gallon.

Residential propane prices increased 7.9 cents per gallon, from 135.9 to 143.8 cents per gallon. Residential propane prices have risen 31.6 cents per gallon since October 2002 and are 30.5 cents per gallon higher than one year ago. Wholesale propane prices also increased, rising 9.2 cents per gallon, from 69.6 cents to 78.8 cents per gallon.

U.S. Petroleum Prices

(updated February 11, 2003)



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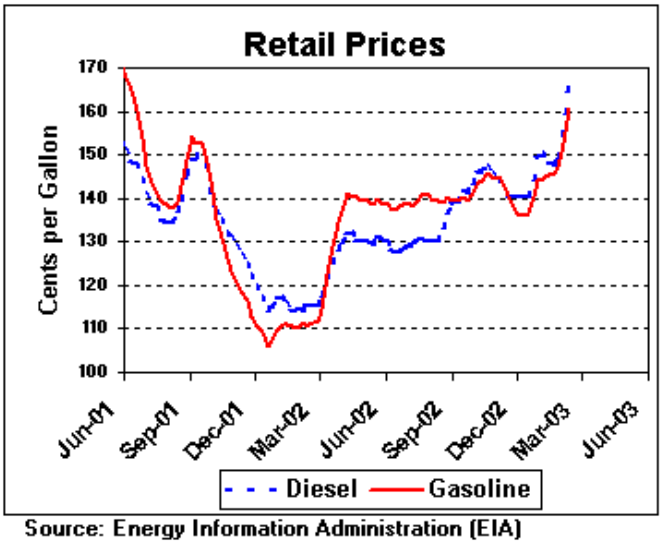

Source: Energy Information Administration (EIA)

Crude Oil and Oil Products Price Table

Date	WTI Crude Oil		Gasoline		Heating Oil		Kerojet	Propane		EIA Weekly Retail	
	Spot	Futures	Spot	Futures	Spot	Futures	Spot	Spot	Spot	US Average	
	Cushing		NYH		NYH		NYH	Mt. Belvieu	Conway	Gasoline	Diesel
	$/bbl	$/bbl	cents per gallon		cents per gallon		¢/gal	cents per gallon		cents per gallon	
12/24/2002	$32.13	$31.97	89.85	92.77	89.65	90.49	91.83	54.82	54.32		
12/25/2002	NA	NA	NA	NA	NA	NA	NA	NA	NA		
12/26/2002	$32.61	$32.49	90.95	92.97	90.25	90.91	92.13	56.25	54.88		
12/27/2002	$32.68	$32.72	90.78	93.25	90.18	90.79	93.58	55.88	54.44		
12/30/2002	$31.41	$31.37	86.15	87.92	86.25	86.74	88.80	55.25	54.38	144.1	149.1
12/31/2002	$31.21	$31.20	85.10	86.48	87.20	86.55	89.30	53.94	53.25		
1/1/2003	NA	NA	NA	NA	NA	NA	NA	NA	NA		
1/2/2003	$31.97	$31.85	86.75	88.30	88.45	88.09	90.07	55.44	54.88		
1/3/2003	$33.26	$33.08	89.78	91.90	91.80	91.82	93.40	57.25	55.50		
1/6/2003	$32.29	$32.10	86.25	88.20	89.08	88.79	90.70	55.94	54.00	144.4	150.1
1/7/2003	$31.20	$31.08	81.75	84.18	84.95	84.88	86.58	54.82	52.50		
1/8/2003	$30.66	$30.56	80.25	83.51	83.46	83.21	84.21	54.44	52.69		
1/9/2003	$31.95	$31.99	86.98	89.25	87.28	87.50	88.03	55.50	53.63		
1/10/2003	$31.59	$31.68	84.48	87.19	86.10	86.53	86.75	55.50	53.75		
1/13/2003	$32.08	$32.26	86.03	89.90	87.78	88.38	89.13	56.63	54.00	145.4	147.8
1/14/2003	$32.42	$32.37	86.18	89.16	89.25	89.16	90.38	57.13	55.57		
1/15/2003	$33.23	$33.21	86.70	90.43	90.36	90.86	90.71	58.82	57.19		
1/16/2003	$33.58	$33.66	87.15	90.76	89.09	89.67	90.37	60.13	60.38		
1/17/2003	$33.88	$33.91	87.30	91.11	89.25	89.86	90.48	60.25	59.94		
1/20/2003	NA	NA	NA	NA	NA	NA	NA	NA	NA	145.9	148.0
1/21/2003	$34.62	$34.61	86.80	90.10	89.27	89.47	89.92	59.57	57.75		
1/22/2003	$34.32	$32.85	86.40	89.93	91.00	91.19	91.73	59.75	57.44		
1/23/2003	$33.90	$32.25	86.75	89.81	91.50	91.53	92.23	60.19	58.38		
1/24/2003	$34.98	$33.28	89.78	92.25	94.75	95.02	95.63	61.38	58.94		
1/27/2003	$32.43	$32.29	88.35	90.15	93.73	93.43	94.38	60.00	58.88	147.3	149.2
1/28/2003	$32.70	$32.67	90.95	92.72	93.00	93.04	93.60	68.25	61.25		
1/29/2003	$33.54	$33.63	95.59	97.13	96.73	97.13	96.75	77.00	64.69		
1/30/2003	$33.78	$33.85	97.05	98.69	98.08	98.05	98.48	71.38	64.88		
1/31/2003	$33.51	$33.51	95.60	97.56	95.83	95.88	96.33	72.38	65.57		
2/3/2003	$32.84	$32.76	94.69	95.68	94.85	91.81	96.55	65.38	65.25	152.7	154.2
2/4/2003	$33.61	$33.58	98.80	100.06	99.05	96.19	101.93	67.25	67.25		
2/5/2003	$33.91	$33.93	101.30	103.15	103.80	99.40	106.55	70.19	69.25		
2/6/2003	$34.36	$34.16	101.00	102.83	112.50	102.71	115.38	70.19	69.25		
2/7/2003	$35.05	$35.12	104.38	106.70	120.50	109.57	122.00	74.25	74.25		
2/10/2003	$34.46	$34.48	100.53	102.75	114.48	104.43	116.35	72.25	72.25	160.7	166.2

Source: Spot and futures closing quotes as reported by Reuters News Service, retail prices reported by EIA

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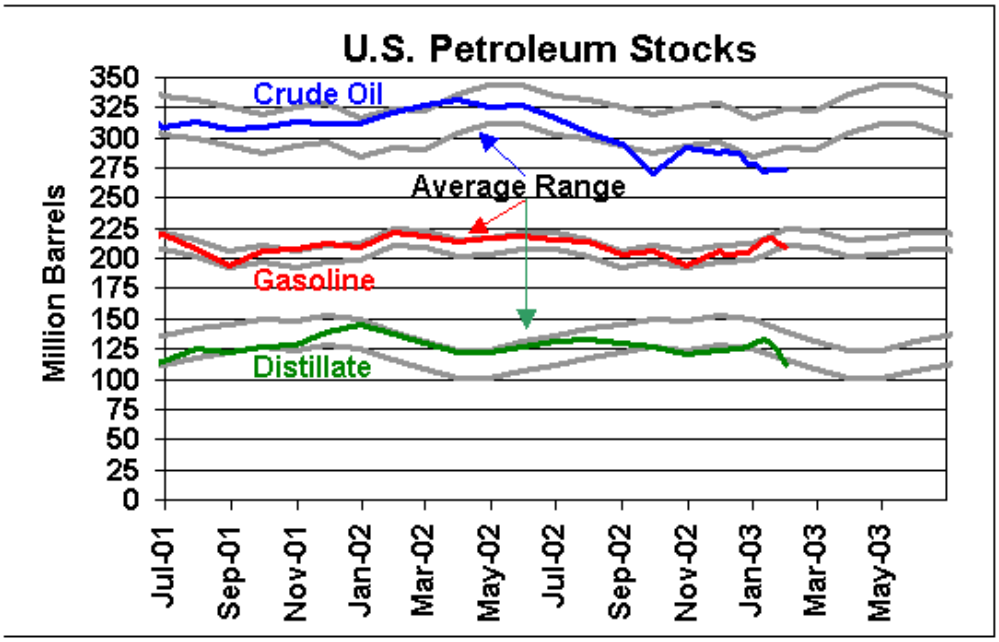
Energy Situation Analysis Report

U.S. Petroleum Supply

(Thousand Barrels per Day)	Four Weeks Ending 1/31/2003	Four Weeks Ending 1/31/2002	vs. Year Ago Diff.	vs. Year Ago % Diff.
Refinery Activity				
Crude Oil Input	14,428	14,453	-25	-0.2%
Operable Capacity	16,800	16,814	-14	-0.1%
Operable Capacity Utilization (%)	86.8%	87.4%	-0.6%	
Production				
Motor Gasoline	8,010	8,131	-121	-1.5%
Jet Fuel	1,494	1,477	17	1.2%
Distillate Fuel Oil	3,445	3,501	-56	-1.6%
Imports				
Crude Oil (incl. SPR)	8,573	8,646	-73	-0.8%
Motor Gasoline	730	685	45	6.6%
Jet Fuel	131	102	29	28.4%
Distillate Fuel Oil	345	292	53	18.2%
Total	10,900	10,847	53	0.5%
Exports				
Crude Oil	10	11	-1	-9.1%
Products	929	850	79	9.3%
Total	939	861	78	9.1%
Products Supplied				
Motor Gasoline	8,581	8,172	409	5.0%
Jet Fuel	1,591	1,585	6	0.4%
Distillate Fuel Oil	4,282	3,875	407	10.5%
Total	20,117	19,170	947	4.9%

Stocks (Million Barrels)	1/31/2003	1/31/2002	vs. Year Ago Diff.	vs. Year Ago % Diff.
Crude Oil (excl. SPR)	274.3	320.0	-45.7	-14.3%
Motor Gasoline	209.6	221.6	-12.0	-5.4%
Jet Fuel	40.9	41.4	-0.5	-1.2%
Distillate Fuel Oil	112.1	138.0	-25.9	-18.8%
Total (excl. SPR)	918.6	1,037.2	-118.6	-11.4%



Source: Energy Information Administration, Weekly Petroleum Status Report, Petroleum Supply Monthly.

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World Oil Market Highlights

(updated February 11, 2003)

As of early February 2003, EIA estimates that OPEC countries excluding Iraq and Venezuela hold between 2 and 2.5 million barrels per day of excess oil production capacity that could be brought online. Around 70% of this spare capacity is located in one country -- Saudi Arabia -- with nearly all the rest located in four Persian Gulf countries: UAE, Qatar, Kuwait, and Iran. The estimates included in the table below incorporate the 1.5 million-barrel-per-day increase to the OPEC-10 production ceiling announced on January 12, 2003, as well as recent unrest in Venezuela.

OPEC Crude Oil Production [1]
(Thousand barrels per day)

	December 2002 Production	January 2003 Production	February 2003 Production	2/01/03 Quota[2]	Production Capacity[3]	February Surplus Capacity[3]
Algeria	1,000	1,050	1,050	782	1,100	50
Indonesia	1,050	1,025	1,025	1,270	1,050	25
Iran	3,560	3,600	3,700	3,597	3,750	50
Kuwait[4]	1,970	2,000	2,125	1,966	2,200	75
Libya	1,350	1,350	1,370	1,312	1,400	30
Nigeria	2,050	2,100	2,225	2,018	2,300	75
Qatar	700	700	740	635	850	110
Saudi Arabia[4]	8,100	8,500	8,700	7,963	10,000-10,500[5]	1,300-1,800[5]
UAE[6]	2,040	2,050	2,200	2,138	2,500	300
Venezuela[7]	1,100	614	1,400	2,819	1,400	0
OPEC 10 Crude Oil Total	**22,920**	**22,989**	**24,535**	**24,500**	**26,550-27,050[5]**	**2,015-2,515[5]**
Iraq[8]	2,315	2,455	2,315	N/A	2,900	585
OPEC Crude Oil Total	**25,235**	**25,444**	**26,850**	N/A	**29,450-29,950[5]**	**2,600-3,100[5]**
Other Liquids[9]	2,761	2,761	2,761	N/A		
Total OPEC Production	**27,996**	**28,205**	**29,611**	N/A		

NA: Not Applicable
1Crude oil does not include lease condensate or natural gas liquids.
2Quotas are based on crude oil production only.
3Maximum sustainable production capacity, defined as the maximum amount of production that: 1) could be brought online within a period of 30 days; and 2) sustained for at least 90 days.
4Kuwaiti and Saudi Arabian figures each include half of the production from the Neutral Zone between the two countries. Saudi Arabian production also includes oil produced from its offshore Abu Safa field on behalf of Bahrain.
5 Saudi Arabia is the only country with the capability to further increase its capacity significantly within 90 days. Saudi Arabia can increase its sustainable production capacity to 10 million barrels per day within 30 days and to 10.5 million barrels per day within 90 days. As a result, the estimates for Saudi Arabia are as shown as a range, with the lower figure using the 30 days' definition and the upper end reflecting Saudi Arabia's 90 days' capability. OPEC's surplus capacity estimates are also shown as a range for this reason.
6The UAE is a federation of seven emirates. The quota applies only to the emirate of Abu Dhabi, which controls the vast majority of the UAE's economic and resource wealth.
7Venezuelan capacity and production numbers exclude extra heavy crude oil used to produce Orimulsion. It has been estimated that it would take 4 months from the end of the current crisis for Venezuela to restore its pre-strike production capacity. Venezuelan production projections assume production remains at current levels.
8Iraqi oil exports are approved by the United Nations under the oil-for-food program for Iraq established by Security Council Resolution 986 (April 1995) and subsequent resolutions. As a result, Iraqi production and exports have not been a part of any recent OPEC agreements.
9Other liquids include lease condensate, natural gas liquids, and other liquids including volume gains from refinery processing.

Major Sources of U.S. Petroleum Imports, Jan.-November 2002*
(all volumes in million barrels per day)

	Total Oil Imports	Crude Oil Imports	Petroleum Product Imports
Canada	1.93	1.42	0.51
Saudi Arabia	1.53	1.49	0.04
Mexico	1.51	1.47	0.04
Venezuela	1.44	1.25	0.19
Nigeria	0.59	0.56	0.03
United Kingdom	0.48	0.41	0.07
Iraq	0.45	0.45	0.00
Norway	0.39	0.35	0.04
Angola	0.33	0.32	0.01
Total Imports	11.39	9.09	2.30

** Table includes all countries from which the U.S. imported more than 300,000 barrels per day of total oil in Jan.-Nov. 2002.*

Top World Oil Net Exporters, Jan.-Nov. 2002*

	Country	Net Exports (million barrels per day)

1)	Saudi Arabia	6.90
2)	Russia	5.07
3)	Norway	3.14
4)	Iran	2.48
5)	Venezuela	2.48
6)	United Arab Emirates	1.93
7)	Nigeria	1.86
8)	Mexico	1.68
9)	Kuwait	1.64
10)	Iraq	1.56
11)	Algeria	1.26
12)	Libya	1.20

**Table includes all countries with net exports exceeding 1 million barrels per day in Jan.-Nov. 2002.*

During the first eleven months of 2002, about half of U.S. crude oil imports came from the Western Hemisphere (17% from South America,16% from Canada, 16% from Mexico, 1% from the Caribbean), while nearly one-fourth came from the Persian Gulf region (16% from Saudi Arabia, 5% from Iraq, 2% from Kuwait).

In general, OECD Europe depends far more heavily on the Persian Gulf and North Africa for oil imports than does the United States. Japan receives over three-quarters of its oil supplies from the Persian Gulf (mainly the UAE, Saudi Arabia, Kuwait, Iran, and Qatar) with the remainder coming from Indonesia, China, and other sources.

Having provided this information, it is important to stress that oil is a "fungible" (interchangeable, traded on a world market) commodity, that a disruption of oil flows anywhere will affect the price of oil everywhere, and that the specific suppliers of oil to a particular country or region are not of enormous significance, at least from an economic point of view.

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Definitions

Petroleum

WTI – West Texas Intermediate (for the purposes of this table, prices provided are near month futures price) Cushing OK.

Bbl – Barrel (42 gallons).

C's – cents.

Natural Gas

Henry Hub – A pipeline hub on the Louisiana Gulf coast. It is the delivery point for the natural gas futures contract on the New York Mercantile Exchange (NYMEX).

Electricity

COB – average price of electricity traded at the California-Oregon and Nevada-Oregon border.

Palo Verde - average price of electricity traded at Palo Verde and West Wing Arizona.

Average - average price of electricity traded at all locations.

Latest U.S. Weekly Natural Gas Information

(February 11, 2003)

Industry/Market Developments

Pipeline Disturbance in the Midwest: Repairs to a segment of ANR Pipeline in Illinois are complete and the portion of the line is again operational, according to the company. ANR Pipeline declared a critical outage on its Southwest Mainline upstream of the New Windsor Compressor Station after a rupture occurred along the pipeline segment on Sunday, February 2. No injuries were reported as a result of the incident, and natural gas was rerouted, avoiding interruptions in service, according to the pipeline company. Determination of the cause of the rupture likely will not be possible until the results of metallurgical testing of the damaged section of pipeline are available. The ANR Pipeline Company, which is owned by El Paso Corporation, operates roughly 10,600 miles of pipeline serving the central United States with peak-day capacity of 6 billion cubic feet.

EIA Releases 2001 Annual Data: The Energy Information Administration (EIA) has posted on its web site the data publication: *Natural Gas Annual 2001*. With some 25 data tables (many spanning the 5-year period 1997-2001), over 30 graphs and figures, and separate sections for each of the 50 States and the District of Columbia, the *Natural Gas Annual 2001* presents EIA's most current and complete annual information about the natural gas industry. The *Natural Gas Annual 2001* highlights key data trends and changes within the industry in 2001, and also reflects recent changes in EIA's industry accounting methodology, primarily with respect to the consumption of natural gas for electricity generation. These changes have been driven by the shift in electric power generation from a strictly regulated industry to one in which non-regulated companies hold a major and expanding share of the market. Whereas in prior years, natural gas consumption by non-utility generators was counted as part of the industrial sector, EIA now breaks out consumption for electricity generation according to whether the generated electricity is for sale or primarily for use by the company that generates it. The reallocation of a significant volume of gas from the industrial to the electric power sector and the use of a new data source for non-utility gas consumption alter the face of the industry and markets suggested by the data. The *Natural Gas Annual 2001* provides the first detailed look at the results of these changes.

Natural Gas Storage

Working gas in storage was 1,521 Bcf, or 15.9%, below the 5-year average for the week ending January 31, according to EIA's Weekly Natural Gas Storage Report. The implied net withdrawal was 208 Bcf, which is 97 Bcf more than the 5-year average withdrawal for the week. Withdrawals near the 5-year average for the remaining two months of the traditional heating season would result in inventories dipping to 890 Bcf by the end of March.

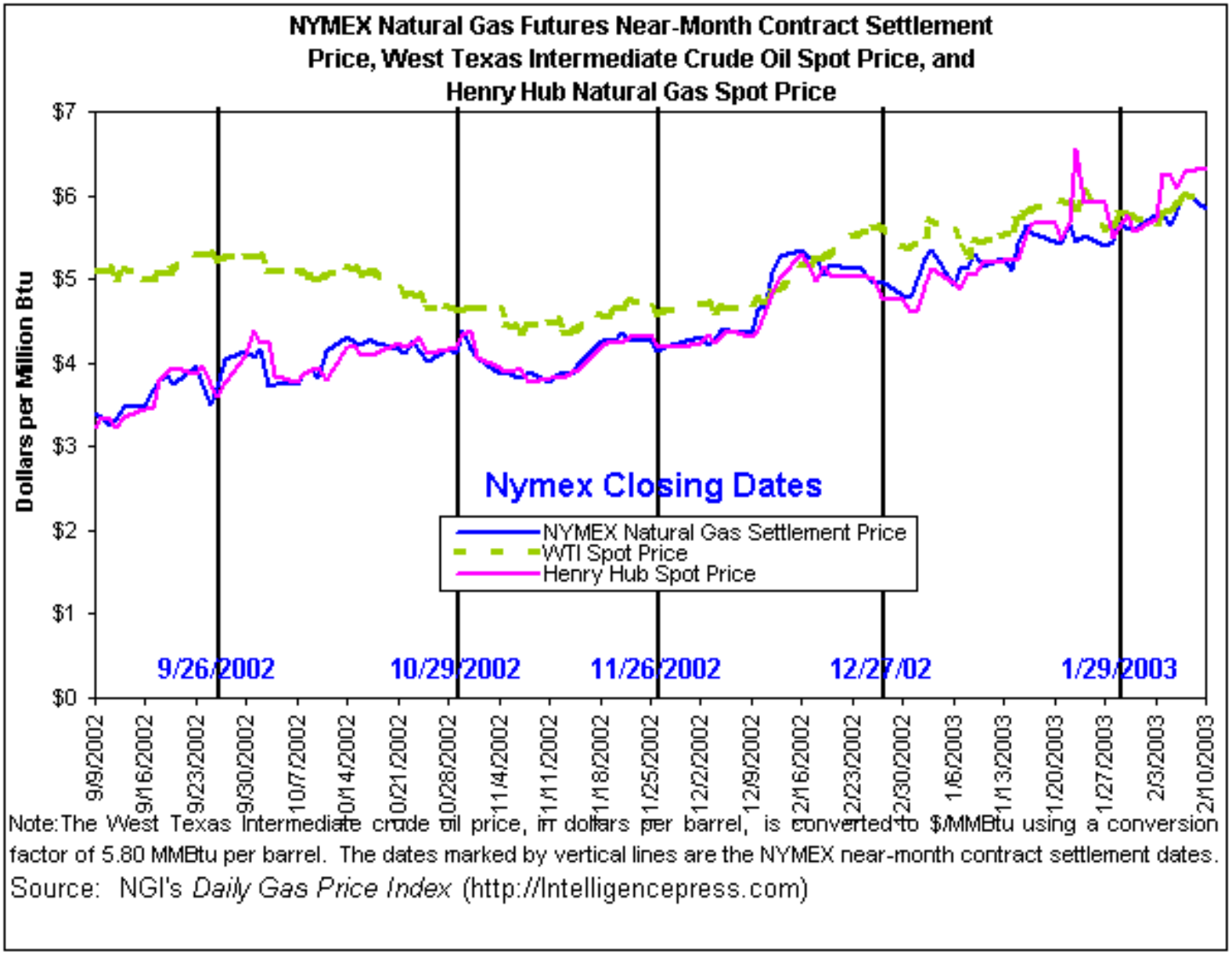
All Volumes in Bcf	Current Stocks 1/31/2003	Estimated Prior 5-year (1998-2002) Average	Percent Difference from 5-Year Average	Implied Net Change from Last Week	One-Week Prior Stocks 1/24/2003
East Region	805	1,063	-24.3%	-141	946
West Region	285	235	21.3%	-11	296
Producing Region	431	510	-15.5%	-56	487
Total Lower 48	1,521	1,808	-15.9%	-208	1,729

Source: Energy Information Administration: Form EIA-912, "Weekly Underground Natural Gas Storage Report," and the Historical Weekly Storage Estimates Database.

Prices:

Continued cold weather in the Midwest and Northeast, along with well-below-normal storage stocks in the East Consuming region, contributed to spot price increases of $0.05-$0.25 per MMBtu at most trading locations along the Gulf Coast and in Texas since Wednesday, February 5. At the Henry Hub yesterday (Monday, February 10), the average price for next-day delivery rose 5 cents to $6.34 per MMBtu, which is the highest price at the Henry Hub since February 2, 2001. Monday was also the fifth consecutive trading day that the average has exceeded $6 per MMBtu at the Hub. In the Northeast, prices have gained as much as $2.60 per MMBtu to trade in a range of roughly $8 to $10 per MMBtu, as high space-heating demand has led to interstate pipelines implementing restrictions on interruptible and secondary transportation services. The average price for gas delivered off Tennessee Gas Pipeline into the Northeast yesterday jumped $2.29 per MMBtu to $10.05 per MMBtu.

At the NYMEX, the near-month futures contract for delivery to the Henry Hub continues to trade near 2-year highs. The March contract increased slightly less than $0.21 per MMBtu since last Wednesday to a daily settlement price of $5.852 on Monday, February 10. The March contract traded as high as $6.04 per MMBtu last Friday, then declined by a little more than 19 cents per MMBtu yesterday. The 12-month strip, or the average price for delivery over the next year, yesterday settled at $5.274 per MMBtu, near a 2-year high.



Note: The West Texas Intermediate crude oil price, in dollars per barrel, is converted to $/MMBtu using a conversion factor of 5.80 MMBtu per barrel. The dates marked by vertical lines are the NYMEX near-month contract settlement dates.

Source: NGI's *Daily Gas Price Index* (http://Intelligencepress.com)

Trade Date (All prices in $ per MMBtu)	California Composite Average Price*	Henry Hub	New York City	Chicago	NYMEX futures contract-March delivery	NYMEX futures contract-April delivery
1/13/2003	4.64	5.22	7.86	5.14	5.172	4.930
1/14/2003	4.69	5.25	7.81	5.18	5.055	4.858
1/15/2003	4.67	5.22	7.46	5.16	5.355	5.067
1/16/2003	5.03	5.51	7.97	5.52	5.603	5.223
1/17/2003	5.11	5.68	9.55	5.70	5.503	5.148
1/21/2003	4.99	5.47	13.63	5.56	5.432	5.127
1/22/2003	5.14	5.68	19.05	5.90	5.608	5.233
1/23/2003	5.51	6.56	12.76	6.44	5.425	5.125
1/24/2003	5.07	5.92	10.36	5.67	5.465	5.103
1/27/2003	5.12	5.92	12.66	5.67	5.291	4.965
1/28/2003	4.86	5.50	7.33	5.42	5.359	5.000
1/29/2003	4.90	5.62	7.37	5.50	5.629	5.234
1/30/2003	5.10	5.76	7.42	5.62	5.583	5.270
1/31/2003	4.93	5.58	6.41	5.45	5.605	5.345
2/3/2003	5.02	5.72	6.53	5.70	5.766	5.485
2/4/2003	5.24	6.26	8.02	6.27	5.762	5.512
2/5/2003	5.27	6.24	7.39	6.25	5.644	5.414
2/6/2003	5.19	6.08	7.15	6.11	5.828	5.578
2/7/2003	5.30	6.29	7.70	6.30	6.043	5.780
2/10/2003	5.42	6.34	8.25	6.40	5.852	5.617

* Average of *NGI's* reported average prices for: Malin, PG&E citygate, and Southern California Border Average.
Source: NGI's Daily Gas Price Index (http://intelligencepress.com)

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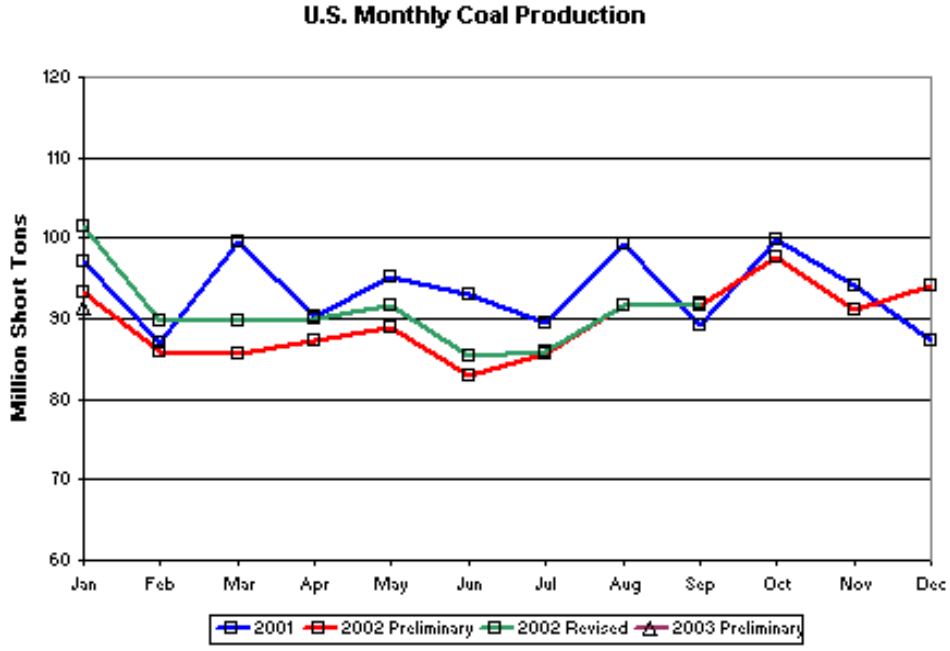
Latest U.S. Coal Information

Coal Production (Updated February 6, 2003)
For the week ended February 1, estimated coal production totaled 20.0 million short tons (mmst), 2.9 mmst lower than in the same week in 2002. Railcar loadings of coal were 8.3% lower than year-ago levels and estimated national coal production was 12.6% lower. The estimated production for the first month of 2003 is 91.4 mmst, 10.05% lower than the 101.5 mmst in January of 2002.

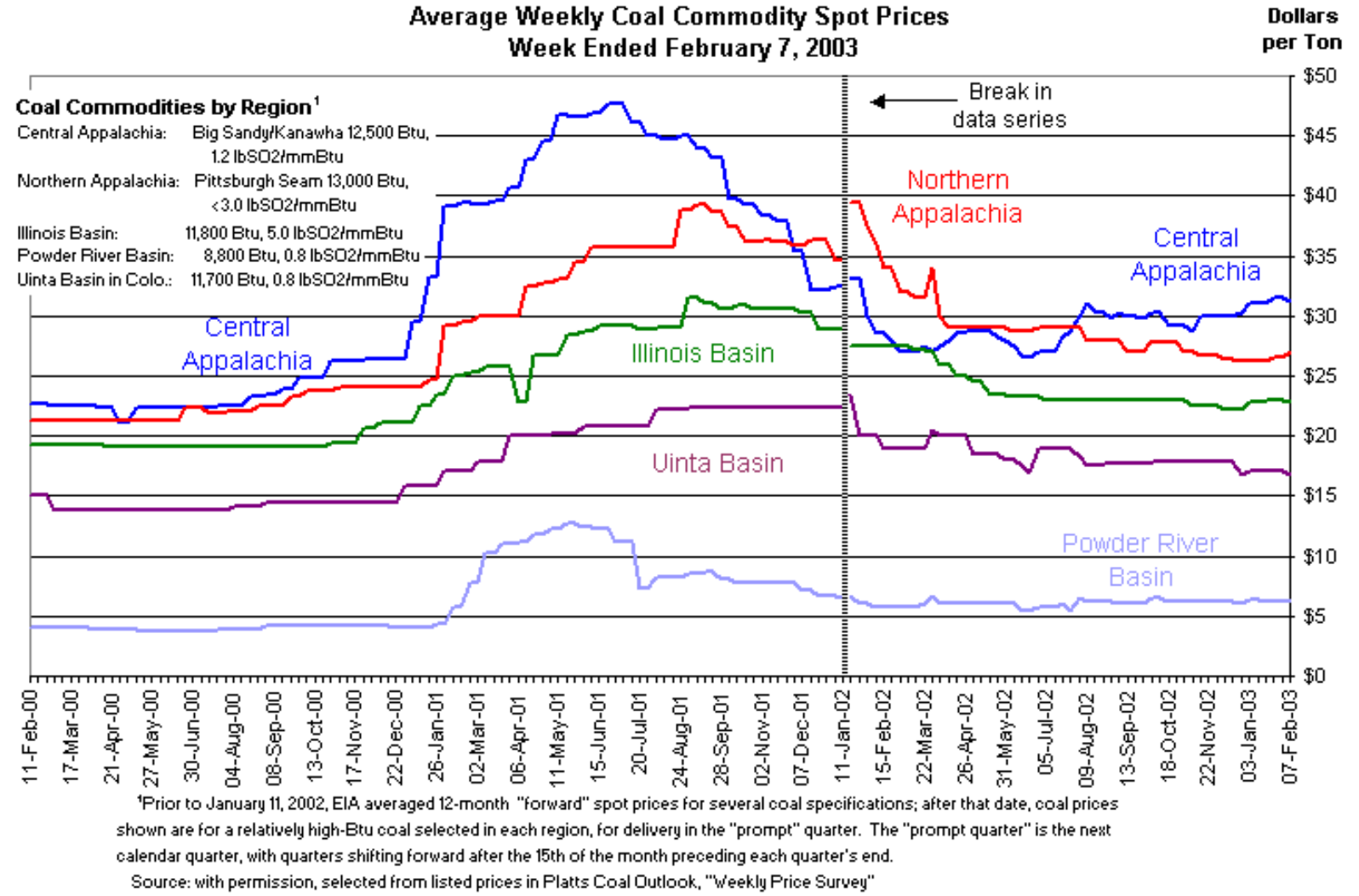
For the year to date, national coal production estimates are 12.2% lower than in 2002 - 8.4% lower west of the Mississippi and 16.6% lower in the East. These percentages are noticeable greater than those for the January-to-January comparison above because the 2003 year-to-date production gained only a Saturday's production on February 1 whereas February 1, 2002, was a full workday. The longer-term comparison, for the 52 weeks ended February 1, 2003, versus the 52 weeks ended February 2, 2002, shows estimated western U.S. coal production in the more recent 52 weeks at 0.1% above the levels of a year earlier. Estimated eastern U.S. coal production in the more recent period, however, is 6.7% below the levels a year earlier. The more recent estimate incorporates coal production survey data of the Mine Safety and Health Administration through the third quarter 2002.



Coal Prices (Updated February 11, 2003)
Spot coal prices tracked by EIA in the over-the-counter (OTC) market were mixed for the week ended February 7 versus the prior week (see graph below). The Northern Appalachian spot price gained $0.40 per short ton, the Powder River Basin price was unchanged at $6.20 per short ton, and Central Appalachian, Illinois Basin, and Uinta Basin prices each lost $0.25 per short ton. After upward price trends in January, this week's prices represent a pause in any trend that may develop. Except for a few sizable transactions during January, traded volumes have been relatively low, so no real momentum is in effect. have generally been upward, no change can be seen as encouraging for coal sellers as long as prices that have risen stay put. It is still early to declare an upward trend in prices because

Coal prices in all supply regions are lower than the peak prices in summer 2001: Central and Northern Appalachian coal prices

are lower by about $16.50 and $12.00 per short ton, or 34% and 31% lower, respectively; Powder River Basin coal prices are lower by about $6.50, or 51%, Illinois Basin coal prices lower by about $9.00, or 28%, and Uinta Basin coal prices lower by about $6.00, or 26%. On the other hand, the EIA-indexed spot prices are all above the previous low marks in Summer 2000. The latest prices of $31.25 per short ton for Central Appalachian and $27.00 per short ton for Northern Appalachian coal are 40% and 27% higher, respectively; spot prices for Powder River Basin coal are 65% higher; for the Illinois Basin 19% higher; and for the Uinta Basin 22% higher.



[1]Prior to January 11, 2002, EIA averaged 12-month "forward" spot prices for several coal specifications; after that date, coal prices shown are for a relatively high-Btu coal selected in each region, for delivery in the "prompt" quarter. The "prompt quarter" is the next calendar quarter, with quarters shifting forward after the 15th of the month preceding each quarter's end.

Source: with permission, selected from listed prices in Platts Coal Outlook, "Weekly Price Survey"

Coal futures trading volumes on the NYMEX became active this week with 45 near-month futures contracts settled and continued the relative trading surge with 45 more trades on Monday, February 10. Settled prices for near-month (March) deliveries remained at $30.00 per short ton, but rise to $31.60 per short ton or deliveries in April through June 2003. For the third quarter, 24 trades were reported last Wednesday, at $32.50 per short ton - $0.10 higher than on the previous day. In addition, 60 trades were reported for calendar year 2004 deliveries, at $33.25 per short ton.

Coal Markets (Updated February 4, 2003)
Central Appalachian spot coal trades were centered on Eastern coals, with several near-term train and barge delivery trades, and one Powder River Basin trade for 2004 delivery. NYMEX look-alike coal traded at $32.75 per short ton, for delivery in the second half of 2003 - considerably higher than NYMEX tender prices (see above).

Meanwhile, the idling of several Appalachian mines recently is likely to affect supplies and raise prices sooner or later. An OTC trader noted that closures of coal mines owned by Horizon Natural Resources, along with general uncertainty over future Appalachian production, was starting to push up prices (Platts Coal Trader, January 29 and 30). Horizon indicated it was continuing its "rightsizing" agenda. About the same time, Georgia Power announced it would purchase no new coal from an earlier Eastern coal solicitation for up to 7 mmst between 2003 and 2006 (Platts Coal Trader, January 30). This week, James River Coal announced the idling of two of its mines, worth 1.2 mmst of production last year, due to low coal prices and "adverse mining conditions" (Energy Argus Coal Daily, February 4). Eastern mine closures in December and January have been both voluntary and involuntary, due to bankruptcy, mine fire, poor returns, and possibly waiting out the low prices.

Consol Energy reported on January 28 that its 2002 net income was $11.7 million and was down sharply from 2002 ($151.2 million). The company closed six mines in 2002, with associated equipment removal costs, and also attributed the lower profits to higher mining costs. Not to be overlooked, sales were down as well in 2002 - from 76.5 mmst in 2001 to 67.3 mmst. Consol's Mine 84, which has been closed due to fire several weeks ago is expected to be back at full production by mid-February, but after 0.7 mmst of lost production, worth about $8 million (Energy Argus Coal Daily, January 29).

"With prices slowly inching up, you're starting to see buyers taking a more proactive approach," one broker said. "That includes locking in some larger commitments in the likelihood that prices, particularly in the East, continue to rise." After several weeks of cold, even below average weather, in the Midwest and East, burn rates increased and some buyers were able to look toward new coal deliveries. Further, with natural gas prices high recently, many industry analysts are expecting spot prices to take an upward trend. During the week ended January 24, Consol Energy entered a 17-year agreement with FirstEnergy to provide 4.5 mmst/year from the expanding McElroy mine in West Virginia. This mine produces coal averaging 13,999 Btu/lb and 3.18% sulfur. Georgia Power issued a new solicitation for PRB coal for up to 4 mmst of coal over 2 years or up to 10 mmst over 4 years. This followed a recent PRB contract Georgia Power awarded for its Scherer station.

Future Coal Supplies (updated February 6, 2003)
On January 29, the Fourth Circuit Court of Appeals ruled in favor of the coal industry and the Department of Justice by overturning Judge Charles Haden's May 2002 ban on new valley fill permits at coal mines in West Virginia and eastern Kentucky. The three-judge panel ruled that the 2002 ruling had been "over broad" and essentially supported the existing policies that the Army Corps of Engineers has followed for many years in issuing fill permits under the Clean Water Act. This action is not, however, expected to result in an immediate increase in new permits. The Corps has not accepted most new applications during the appeal period and the normal 45-day processing time could go to several months if a flood of applications is received.

Further, a new issue has developed during the off time. Last year, the Corps introduced a new impact mitigation policy that applies to both existing and new permits. Under the Nationwide 21 program, the new Corps policy applies to the Central Appalachian coalfields of West Virginia and eastern Kentucky. Operators will be required to save a stream or wetland at another location to compensate for those it fills during coal mine operations, or to pay "in lieu" fees if compensating wetlands cannot be preserved. The most pressing issue related to this is a February 11 deadline, after which no new fill can be done. Under Congressional pressure from the affected States, and now that the Haden ruling has been overturned, the Corps is free to move ahead and may extend the February 11 deadline.

Environmental Update (Updated February 11, 2003)
On January 30, Environmental Protection Agency (EPA) Administrator Christine Todd Whitman announced a report documenting reductions in some acid rain indicators in sensitive ecosystems of the United States (Response of Surface Water Chemistry to the Clean Air Act Amendments of 1990). The data confirm a large decrease in wet sulfate deposition across broad areas of the Northeast and Upper Midwest. The amount of wet sulfate – an acidic anion – deposited to lakes and streams declined by approximately 40 percent in the 1990s. These reduced levels can be linked to declines in emissions of sulfur oxides since implementation of the 1990 Clean Air Act Amendments. Because of differences in geology and soils, however, the rates of decline in sulfate concentrations in precipitation were generally steeper than in surface waters.

This was not unexpected and suggests that in most aquatic systems, sulfate recovery exhibits a somewhat lagged response. Further, the decline in surface waters that were acidic was more modest than the decline in wet sulfate. Just as anthropogenic acidification of surface waters did not take place all at once, recovery to natural levels will require some time. Although the study

shows a ¼ to 1/3 decline in formerly acidic surface waters, the robustness of the change (the “acid neutralizing capacity”) was marginal. The study authors believe their results point toward recovery, forecasting an improvement in biologically relevant surface water chemistry. Other indicators that showed improvement include regional increases in dissolved organic carbon and decreased concentrations of toxic aluminum in some sensitive areas. Nitrogen levels and base cation levels have not yet shown significant improvements. Even if improving, reactions involving these elements may be tied up in soil and native rock chemistry for years before results are seen in surface waters (http://www.epa.gov/ord/htm/CAAA-ExecutiveSummary-1-29-03.pdf).

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Latest U.S. Electricity Information

(updated February 11, 2003)

Selected Wholesale Electricity Prices: In most of the Western United States warmer weather resulted in lower customer demand and a decrease in electricity prices on February 6. However, higher natural gas prices and a reduction in hydroelectric supplies contributed to an upward trend in prices through February 10. At Mid-Columbia, a benchmark for the Northwest, prices went from a weekly low of $42.20 per megawatthour on February 6 to a weekly high of $48.80 per megawatthour on February 10. At California's NP-15 and SP-15, prices rose to seven-day highs of $53.28 and $55.64 per megawatthour on February 10. Other trading centers in the area including California-Oregon and Mead/Marketplace experienced similar price fluctuations.

In the Midwest, electricity prices declined on February 6 and 7 despite continuing cooler temperatures and the shut-down of American Electric Power's Cook Unit 2 nuclear reactor. Prices did increase on February 10 as the cold weather finally raised customer demand. At the Cinergy Trading Center, prices decreased from a weekly high of $61.32 per megawatthour on February 5 to $51.68 per megawatthour on February 7 and then increased to $60.55 per megawatthour on February 10.

In the Southeast, prices fluctuated during the past three trading days. Warmer weather and ample power supplies influenced customer demand, but higher natural gas prices and exports to neighboring regions did cause electricity prices to increase. Prices within the SERC trading area increased to a seven-day high of $52 per megawatthour on February 6 before slipping down to $51.16 per megawatthour on February 7 and then they went back up to $51.49 per megawatthour on February 10.

In the Northeast, electricity prices were generally higher on February 10 as the cold temperatures increased customer demand and put pressure on available gas supplies, thereby increasing the price of natural gas. At PJM West, prices declined on February 6 and 7 with the advent of warmer weather and the associated lower customer demand. However, they increased to $63.90 per megawatthour on February 10 from $56.59 per megawatthour on February 7. At Nepool, prices jumped up to a weekly high of $80.15 per megawatthour on February 10 from $68.50 per megawatthour on February 7. In New York City, prices traded at near or at $80 per megawatthour from February 4 through February 7, and then increased to a seven-day high of $85.50 per megawatthour on February 10.

Over the past seven days, average prices at all trading centers ranged between $47.87 and $59.03 per megawatthour with an overall weekly average of $53.45 per megawatthour.

U.S. Regional Electricity Prices at Major Trading Centers (Dollars per megawatthour)

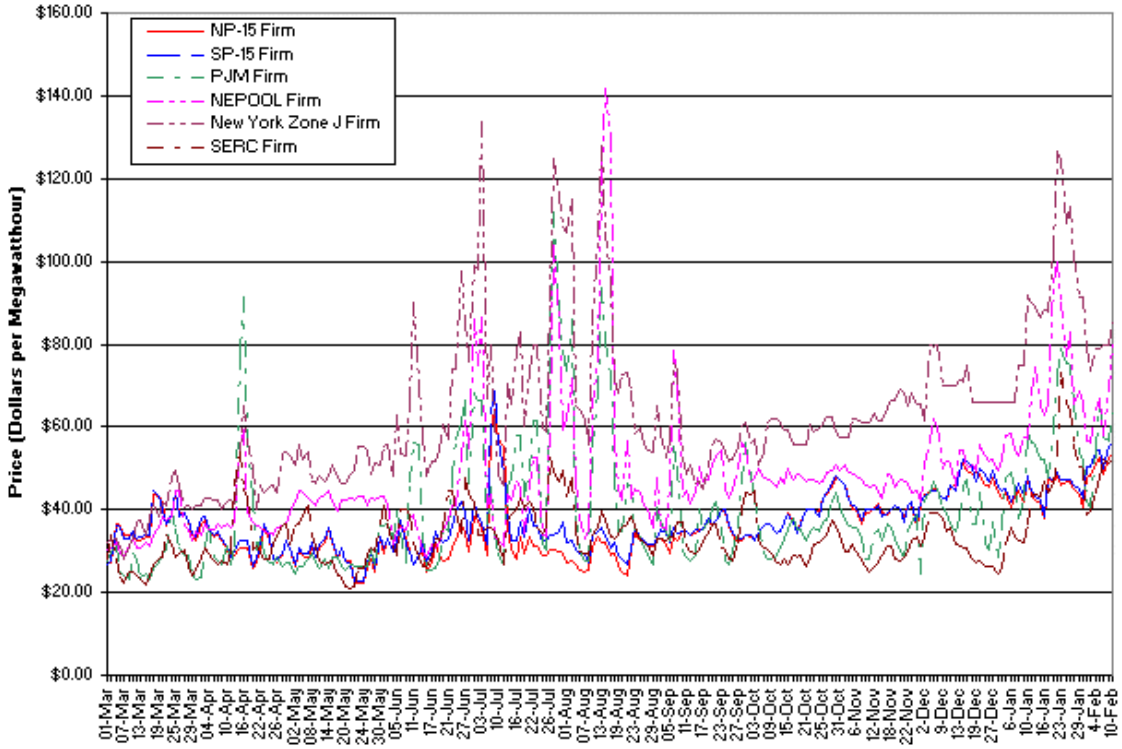
Trading Centers	Date							Price Range		
	1/31/03	2/3/03	2/4/03	2/5/03	2/6/03	2/7/03	2/10/03	Max	Min	Average
COB	45.13	45.21	48.25	49.12	45.75	49.79	50.68	50.68	45.13	47.70
Palo Verde	47.40	47.58	51.14	51.44	47.85	52.56	52.25	52.56	47.40	50.03
Mid-Columbia	42.23	42.22	46.36	46.75	42.20	47.85	48.80	48.80	42.20	45.20
Mead/Marketplace	49.34	51.10	53.56	53.29	50.03	53.88	54.34	54.34	49.34	52.22
4 Corners	47.33	46.80	50.58	51.25	47.25	52.50	51.82	52.50	46.80	49.65
NP 15	47.81	48.24	51.45	52.38	48.37	52.38	53.28	53.28	47.81	50.56
SP 15	50.33	50.49	54.02	54.36	50.04	55.20	55.64	55.64	50.04	52.87
PJM West	42.50	40.54	54.63	65.50	57.41	56.59	63.90	65.50	40.54	54.44
NEPOOL	56.50	56.20	64.13	66.63	57.75	68.50	80.15	80.15	56.20	64.27
New York Zone J	79.50	73.50	79.00	79.00	80.00	80.00	85.50	85.50	73.50	79.50
Cinergy	27.39	36.67	47.10	61.32	55.13	51.68	60.55	61.32	27.39	48.55
SERC	38.94	39.56	44.23	47.73	52.00	51.16	51.49	52.00	38.94	46.44
Average Price	47.87	48.18	53.70	56.56	52.82	56.01	59.03	59.03	47.87	53.45

Sources: COB, Palo Verde, Mid-Columbia, Mead/Market Place, Four Corners, NP-15, SP-15, PJM-West, NEPOOL, New York Zone J, Cinergy, and SERC trading centers. Used with permission from Bloomberg L.P. (www.bloomberg.com).

COB: Average price of electricity traded at the California-Oregon and Nevada-Oregon Borders.
Palo Verde: Average price of electricity traded at Palo Verde and the West Wing, Arizona.
Mid-Columbia: Average price of electricity traded at Mid-Columbia.
Mead/Market Place: Average price of electricity traded at Mead Market Place, McCullough and Eldorado.

Mead/Market Place:	Average price of electricity traded at Mead Market Place, McCullough and Eldorado.
Four Corners:	Average price of electricity traded at Four Corners, Shiprock, and San Juan, New Mexico.
NP-15:	Average price of electricity traded at NP-15.
SP-15:	Average price of electricity traded at SP-15.
PJM-West:	Average price of electricity traded at PJM Western hub.
NEPOOL	Average price of electricity traded at Nepool.
New York Zone J:	Average price of electricity traded at the New York Zone J - New York City.
Cinergy:	Average price of electricity traded into the Cinergy control area.
SERC:	Average price of electricity traded into the Southeastern Electric Reliability Council.

Average Wholesale Electricity Prices in the U.S.



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